



# NEWSLETTER



**June 2014**

## **Rhode Island County Office**

60 Quaker Lane Suite 49  
Warwick, RI 02886

## **Hours**

Monday-Friday  
8:00 am-4:30 pm

## **Phone**

401-828-3120 Option 2  
Or 1-800-551-5144  
Farm Loan: Option 3  
Fax: 401-821-0780

## **County Committee**

Doreen Pezza-Chairperson  
Gilbert W Rathbun Jr.-Vice  
Chairperson  
Victor Hoogendoorn-  
Member  
Joseph Silveira-Member  
Lauri Roberts-Member

## **County Office Staff**

Ingrid Fratantuono, CED  
Anne Belleville, PT  
Leila Naylor, KPT  
Sheryl Michener, PT

## **Farm Loan Staff**

Roxanne Boisse, FLM

## **Next County Committee Meeting:**

August 6, 2014 at 10:00 am

## **Rhode Island County FSA Updates**

The Rhode Island County Office staff encourages producers to keep track of their planting dates this time of year. The Rhode Island County Office staff encourages producers to file their yearly acreage report by July 15th. Filing an accurate acreage report for all crops and land uses, including failed acreage and prevented planting acreage can prevent the loss of benefits for a variety of programs.

### **July 15th, Final day to report all planted Annual Crops!**

In order to comply with FSA program eligibility requirements, all producers are encouraged to visit the Rhode Island County FSA office to file an accurate crop certification report by the applicable deadline of July 15th for all annual crops.

The following exceptions apply to the above acreage reporting date:

- If the crop has not been planted by the above acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer acquires additional acreage after the above acreage reporting date, then the acreage must be reported no later than 30 calendar days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.
- If a perennial forage crop is reported with the intended use of "cover only," "green manure," "left standing," or "seed," then the acreage must be reported by July 15th

Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP covered crops is the earlier of the dates listed above or 15 calendar days before grazing or harvesting of the crop begins.

For questions regarding crop certification and crop loss reports, please contact the Rhode Island County FSA office at 401-828-3120 option 2.

## **Bank Account Changes**

Current policy mandates that FSA payments be electronically transferred into a bank account. In order for timely payments to be made, producers need to notify the FSA county office when an account has been changed or if another financial institution purchases the bank where payments are sent. Payments can be delayed if the FSA office is not aware of updates to bank accounts and routing numbers.

## **USDA Announces the Extension of the Milk Income Loss Contract Program for 2014**

The USDA Farm Service Agency (FSA) recently announced the extension of the Milk Income Loss Contract (MILC) program which protects dairy farmers against income loss through Sept. 1, 2014, or until a new Margin Protection Program for dairy producers (MPP) is operational.

Contracts for eligible producers enrolled in MILC on or before Sept. 30, 2013, are automatically extended until the termination date of the MILC program. Dairy operations with approved MILC contracts will continue to receive monthly payments if a payment rate is in effect.

MILC compensates enrolled dairy producers when the Boston Class I milk price falls below \$16.94 per hundredweight (cwt), after adjustment for the cost of dairy feed rations. MILC payments are calculated each month using the latest milk price and feed cost, just as in the 2008 Farm Bill. The payment rate for October 2013 through January 2014 marketing's is zero. Payment rates during the months after January 2014 until the termination of the MILC program will be determined as the appropriate data becomes available.

Producers who want to select a different production start month must visit their local FSA office between April 14, 2014, and May 30, 2014.

FSA will provide producers with information on program requirements, updates and sign-ups as the information becomes available.

## **USDA Announces Changes to Fruit, Vegetable and Wild Rice Planting Rules**

Farm Service Agency (FSA) has announced fruit, vegetable and wild rice provisions that affect producers who intend to participate in certain programs authorized by the Agricultural Act of 2014.

Producers who intend to participate in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs are subject to an acre-for-acre payment reduction when fruits and nuts, vegetables or wild rice are planted on the payment acres of a farm. Payment reductions do not apply to mung beans, dry peas, lentils or chickpeas. Planting fruits, vegetables or wild rice on acres that are not considered payment acres will not result in a payment reduction. Farms that are eligible to participate in ARC/PLC but are not enrolled for a particular year may plant unlimited fruits, vegetables and wild rice for that year but will not receive ARC/PLC payments for that year. Eligibility for succeeding years is not affected.

Planting and harvesting fruits, vegetables and wild rice on ARC/PLC acreage is subject to the acre-for-acre payment reduction when those crops are planted on either more than 15 percent of the base acres of a farm enrolled in ARC using the county coverage or PLC, or more than 35 percent of the base acres of a farm enrolled in ARC using the individual coverage.

Fruits, vegetables and wild rice that are planted in a double-cropping practice will not cause a payment reduction if the farm is in a double-cropping region as designated by the USDA's Commodity Credit Corporation.

## USDA Awarding \$6 Million to Prepare Farmers for New Farm Bill Programs

USDA is awarding \$6 million to universities and cooperative state extension services to develop online decision tools and other materials and train experts to educate producers about several key farm bill programs. The new Web tools will help farmers and ranchers determine what participation in programs established by the 2014 Farm Bill will mean for their businesses.

The University of Illinois (lead for the National Coalition for Producer Education), along with the Food and Agricultural Policy Research Institute (FAPRI) at the University of Missouri and the Agricultural and Food Policy Center at Texas A&M (co-leads for the National Association of Agricultural and Food Policy), will receive a total of \$3 million to develop the new online tools and train state-based extension agents who can in turn help educate farmers.

The new resources will help farmers and ranchers make an educated choice between the new Agriculture Risk Coverage (ARC) program and the Price Loss Coverage (PLC) program. Using the new online tools, producers will be able to use data unique to their specific farming operations combined with factors like the geographical diversity of crops, soils, weather and climates across the country to test a variety of financial scenarios before officially signing up for the new program options later this year. Once a producer enrolls in the ARC or PLC program, he or she must remain in the program through the 2018 crop year.

New tools will be provided for other programs as well. Sign-up for the newly established Margin Protection Program for Dairy (MPP) begins late this summer and enrollment for "buy-up" provisions under the Noninsured Crop Disaster Assistance Program (NAP) will begin early next year. An online MPP tool will be available when sign up begins and the NAP buy-up provision resource will become available to producers in the fall for the 2015 crop year.

USDA will also award \$3 million to state cooperative extension services—a nationwide network of experts based at land-grant universities—for outreach and education on the new Farm Bill programs. Funds will be used to conduct public education outreach meetings where producers can speak with local extension agents and Farm Service Agency (FSA) staff. Outreach meetings will begin late this summer to help farmers and ranchers understand the new programs and their options.

While universities work to create new online tools, producers now have access to a preliminary website that gives them a chance to begin familiarizing themselves with the new programs and the type of information they will need to consider when deciding which program options work better for them. At this site, farmers and ranchers can view ARC and PLC projected payments, ARC guarantees, and PLC payment rate projections. These tables are available on the FSA website.

Visit [www.fsa.usda.gov](http://www.fsa.usda.gov) or the local FSA office for information about FSA and the 2014 Farm Bill programs.

## **New Farm Bill Offers Increased Opportunities for Producers**

The 2014 Farm Bill offers increased opportunities for producers including farm loan program modifications that create flexibility for new and existing farmers. A fact sheet outlining modifications to the U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) Farm Loan Programs is available [here](#).

The Farm Bill expands lending opportunities for thousands of farmers and ranchers to begin and continue operations, including greater flexibility in determining eligibility, raising loan limits, and emphasizing beginning and socially disadvantaged producers.

Changes that will take effect immediately include:

- Elimination of the 15 year term limit for guaranteed operating loans.
- Modification of the definition of beginning farmer, using the average farm size for the county as a qualifier instead of the median farm size.
- Modification of the Joint Financing Direct Farm Ownership Interest Rate to 2 percent less than regular Direct Farm Ownership rate, with a floor of 2.5 percent. Previously, the rate was established at 5 percent.
- Increase of the maximum loan amount for Direct Farm Ownership Down Payment Loan Program from \$225,000 to \$300,000.
- Elimination of rural residency requirement for Youth Loans, allowing urban youth to benefit.
- Debt forgiveness on Youth Loans, which will not prevent borrowers from obtaining additional loans from the federal government.
- Increase of the guaranteed percentage on Conservation Loans from 75 to 80 percent and 90 percent for socially disadvantaged borrowers and beginning farmers.
- Microloans will not count toward direct operating loan term limits for veterans and beginning farmers.

Additional modifications must be implemented through the rulemaking processes. Visit the FSA Farm Bill website for detailed information and updates to farm loan programs.

### **2009, 2010, 2011, 2012 and 2013 Average Adjusted Gross Income Compliance Review**

The AGI verification and compliance reviews for 2009, 2010, 2011, 2012 and 2013 are conducted on producers who the IRS indicates may have exceeded the adjusted gross income limitations described in [7 CFR 1400.500]. Based on this review, producers will receive determinations of eligibility or ineligibility.

If the producer is determined to have exceeded the AGI limitation of \$500,000 of nonfarm income, \$750,000 of farm income, \$1 million of conservation program benefits or the \$1 million total AGI, then receivables will be established for payments earned directly or indirectly by the producer subject to the applicable limitation. The State FSA State Office will begin notifying producers selected for review next month. If you have any questions about the review process or determination, please contact the RI State FSA State Office at 401-828-8232. Producers who receive initial debt notification letters may only appeal the amount of the debt to their local FSA office. Adverse determinations become administratively final if not timely appealed and can only be reopened if exceptional circumstances exist that prevented the producer from timely filing the appeal.

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).